

# Export News

From the Tampa Bay Export Assistance Center  
U.S. Commercial Service,  
U.S. Department of Commerce



March 2004 Edition Focusing on Costa Rica

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### 1. Message from Director George Martinez

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This special issue targets Costa Rica, one of Florida's leading trading partners. I recently visited this dynamic country and experienced first hand the eagerness of Costa Rican companies to do business with Florida companies. This has to do with the fact that the economy has rebounded since September 11, especially the tourism sector, a generator of considerable income. In this issue, you'll see articles on the best prospect sectors, sources of information, shipping services, trade events, and an important article on the laws that protect Costa Rican firms that represent foreign companies. As always, rely on our office to answer your questions concerning trade with Costa Rica.

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### 2. The Costa Rican Economy

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Costa Rica's basically stable economy depends on tourism, agriculture, and electronics exports. Poverty has been substantially reduced over the past 15 years, and a strong social safety net has been put into place. Foreign investors remain attracted by the country's political stability and high education levels, and tourism continues to bring in foreign exchange. However, traditional export sectors have not kept pace. Low coffee prices and an overabundance of bananas have hurt the agricultural sector. The government continues to grapple with its large deficit and massive internal debt and with the need to modernize the state-owned electricity and telecommunications sector.

In February 2004, the U.S. successfully negotiated a U.S.- Central America Free Trade Agreement (known as CAFTA) with Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica. CAFTA aims to boost trade and improve the business and investment climate for U.S. companies in Costa Rica as well as its neighbors. The next step for CAFTA is ratification by the legislative bodies of all the countries including the U.S, before it takes effect.

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### 3. Leading Sectors in Costa Rica for Florida Exporters

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At the start of 2004, there is tremendous opportunity for business expansion in Costa Rica. An analysis of the leading sectors of the economy shows that the fastest-growing demand is currently in the following sectors:

- Paper and Paperboard
- Computers and Peripherals
- Plastic Materials and Resins
- Telecommunications Equipment
- Automotive Parts
- Agricultural Chemicals
- Construction Equipment
- Medical Equipment

Source: U.S. Commercial Service Country Commercial Guides. For copies of these reports, see [www.export.gov/cs](http://www.export.gov/cs) or call 727-893-3738.

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### 4. Available Market Research Reports for Costa Rica

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There are dozens of reports available for a wide variety of products and services in Costa Rica. These reports include:

**Country Commercial Guides (CCG):** These reports embody a comprehensive look at Costa Rica's commercial environment using economic, political, and market analysis. These annual guides provide valuable, authoritative insights on the following: leading sectors for U.S. exports, investment climate, trade regulations, key government and private sector contacts, and business travel requirements and tips.

**Industry Sector Analysis reports (ISA):** These reports cover comprehensive information on more than 100 different industry and sub-sectors in Costa Rica. They cover market size and outlook, characteristics, and competitive and end-user analysis for a selected industry sector in Costa Rica. Information on the country's dynamic sectors is also included.

**International Market Insight (IMI):** These are short profiles prepared on specific market conditions or opportunities in Costa Rican markets. Commercial specialists in Costa Rica also regularly report on specific foreign market conditions and upcoming opportunities for U.S. business. IMI's cover a variety of topics such as: competition, trade laws and regulations, business customs, economic/trade statistics, trade contacts, trade show opportunities, market and industry profiles and recent market developments, among others.

For a copy of these reports please contact Jessica Brown at [Intern2.Clearwater@mail.doc.gov](mailto:Intern2.Clearwater@mail.doc.gov)

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## **5. The Costa Rican Law for Representatives**

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Although it is possible to export directly to Costa Rica, U.S. firms will find it is beneficial to find a local representative and/or establish a local sales office. In addition to marketing to the private sector, having a local representative is a requirement for those companies wishing to participate in Costa Rica's government procurement system. Costa Rica is a small market; therefore, identifying one representative is usually sufficient.

Once a U.S. company has selected a prospective representative, the next step is to negotiate an agreement. U.S. exporters should pay close attention to the terms and conditions spelled out in the complex Ley 6209 - the law that governs distribution agreements. The content of the final agreement is extremely important, as it will determine the legal basis for any relationship between the exporter and the representative. Engaging a qualified lawyer is strongly advised.

U.S. companies should also pay close attention to the conditions of contract termination with representatives and distributors and be prepared to work within the prescribed guidelines. In brief, according to the Costa Rican Commercial Code, when a U.S. company breaks an agreement with an agent/distributor, it must compensate the agent or distributor according to a formula based on the history of sales made or commissions earned by the Costa Rican company. The compensation formula is affected by the terms of any written agreement between the parties; thus, it is important to have a written agreement in place and to have that agreement reviewed, prior to signature, by a competent, qualified attorney familiar with Costa Rican law.

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## **6. Markets of Opportunities for Services Exporters**

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The following list of reports on services sectors in Costa Rica represents opportunities for Florida companies. These reports contain valuable information on how to business with Costa Rican companies seeking Florida firms who offer related services. For more information, please contact our office.

- Architectural, Construction and Engineering Services
- Banking Services
- Education and Training, Distance Learning
- Environmental Engineering, Solid Waste and Wastewater Treatment Facilities
- Franchising Services
- Internet Services Related to Advertising
- Retailing
- Website Design Services

For copies of reports on the above sectors, contact [George.Martinez@mail.doc.gov](mailto:George.Martinez@mail.doc.gov) .

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## 7. Sources of Information and Shipping Service to Costa Rica

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### **Chambers of Commerce:**

Costa Rica-American Chamber of Commerce (US)  
SJO 1576. P.O. Box 025216, No. 1576, Miami, FL. 33102  
Telephone: (506) 220-2200 / Fax: (506) 220-2300

Costa Rica-American Chamber of Commerce (Costa Rica)  
P.O. Box 4946-1000, San José, Costa Rica  
Telephone: (506) 220-2200 / Fax: (506) 220-2300 / E-mail: [chamber@amcham.co.cr](mailto:chamber@amcham.co.cr)  
Website: [www.amcham.co.cr](http://www.amcham.co.cr)

### **Costa Rican Consulate in Tampa**

2204 Barker Road, Tampa, FL 33605  
Telephone: (813) 248-6741/ Fax: (813) 248-6857 / Email: [crica@integracom.net](mailto:crica@integracom.net)

### **U.S Department of Commerce (Clearwater Office):**

14010 Roosevelt Blvd. Ste 704  
Clearwater, FL, 33762  
Telephone: (727) 893-3738 / Fax: (727) 893-3939  
Email: [George.Martinez@mail.doc.gov](mailto:George.Martinez@mail.doc.gov)  
Website: [www.export.gov/comm\\_svc](http://www.export.gov/comm_svc)

### **U.S Department of Commerce (Costa Rica Office):**

U.S. Commercial Service - San Jose  
Unit 2508, APO AA 34020-9508  
Telephone: 506-220-2454 / Fax: 506-231-4783  
Website: [www.buyusa.gov/costarica/en/](http://www.buyusa.gov/costarica/en/)

### **Current shipping lines to Costa Rica from the Port of Tampa**

<b><u>Shipping Line</u></b>	<b><u>Port</u></b>	<b><u>Frequency</u></b>	<b><u>Agent</u></b>
Isabella Shipping	Puerto Limon	Fortnightly	Sawyer Marine
MP Line	Puerto Limon	Every 20 days	Sea Central Shipping
Zim	Fortnightly	Weekly	B & R Agencies
Seatrade	Fortnightly	Fortnightly	Altamar Shipping

For further details, please contact Jim Pyburn at (813) 905-5122 or at [jpyburn@tampaport.com](mailto:jpyburn@tampaport.com)

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## 8. Trade Events Targeting Costa Rican Buyers

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The U.S. Department of Commerce organizes foreign buyer delegations to leading U.S. shows. Plan to meet Costa Rican companies who plan to attend the following shows. Contact the persons listed for more details.

**International Franchise Expo** April 30 – May 2, 2004, Washington D.C.

Industry: Franchising concepts, products and services (FRA)

U.S. Contact: Sam Dhir T: (202) 482-4756 Email: [sam.dhir@mail.doc.gov](mailto:sam.dhir@mail.doc.gov)

Costa Rica Contact: Roy Fernandez T: (506) 220-3939 X2263

**International Hardware Week** August 15-17, 2004, Chicago, IL

Industry: Tools Hand/Power

U.S. Contact: Carol Rudman T: (202) 482-0905 Email: [carol.rudman@mail.doc.gov](mailto:carol.rudman@mail.doc.gov)

Costa Rica Contact: Roger Schisholm T: (506) 220-3939 X2203

**Magic International (Summer)** August 30 – September 2, 2004, Las Vegas, Nevada

Industry: Apparel

U.S. Contact: Kevin Haley T: (202) 482-6434, Email: [Kevin.haley@mail.doc.gov](mailto:Kevin.haley@mail.doc.gov)

Costa Rica Contact: Eugenia Solera T: (506) 220-3939 X2207

**Automotive Aftermarket Industry Week (AAIW)**, November 2004,

Las Vegas, Nevada

Industry: Auto Parts and Services Equipment (AUT)

U.S. Contact: Carol Rudman T: (202) 482-0905

Email: [Joseph.English@mail.doc.gov](mailto:Joseph.English@mail.doc.gov)

Costa Rica Contact: Victor Cambronero T: (506) 220-3939 X 2299

**International School, Home and Office Products Show (SHOPA)**

November 2004, Atlanta, GA

Industries: Toys-Games, Education Training Services, Books and Periodicals, Computers and Peripherals

U.S. Contact: Helen Simpson-Davis T: (202) 482-1882

Email: [Helen.simpson-davies@mail.doc.gov](mailto:Helen.simpson-davies@mail.doc.gov)

Costa Rica Contact: Laura Calzada T: (506) 220-3939 X 2271

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## 9. Upcoming National and International Events

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### National:

**Water Quality Association 30th Annual Convention and Exhibition** Baltimore, Maryland

March 16 – 20, 2004 Contact Mark Wells (202) 482-0904/ [Mark.Wells@mail.doc.gov](mailto:Mark.Wells@mail.doc.gov)

**National Association of Broadcasting (NAB) 2004- Broadcasting, Audio, Visual, and Film Production Trade Mission** Las Vegas, Nevada, April 18 - 21, 2004

Contact Miguel Olivares (202) 482-4918/ [Miguel.Olivares@mail.doc.gov](mailto:Miguel.Olivares@mail.doc.gov)

**UN Procurement Seminar** New York City, NY, April 26, 2004

Contact Person: Stephanie Heckel

Description: Learn how to sell to the various UN organizations at a two-day seminar to be held in New York City, April 26-27. On the first day, attendees will learn how to untangle the web of the UN Procurement systems and learn the rules that apply to all businesses attempting to sell to the UN. On the second day, attendees will break up into industry groups. For additional information, or to register, go to: <http://www.nexcosseminar.com>

**International:**

**Globe 2004 – Environmental Trade Fair** Vancouver, Canada, March 31 – April 2, 2004

Contact Elizabeth Ausberry: (202) 482-4908 / [Elizabeth.Ausberry@mail.doc.gov](mailto:Elizabeth.Ausberry@mail.doc.gov)

**Medicare India 2004 -- Medical Services/Equipment Trade Fair** New Delhi, India, April 6 – 8, 2004. Contact Elizabeth Ausberry (202) 482-4908/ [Elizabeth.Ausberry@mail.doc.gov](mailto:Elizabeth.Ausberry@mail.doc.gov)

**DSA 2004 - Defense Technology/Products/Services Trade Fair** Kuala Lumpur, Malaysia, April 12 - 15, 2004. Contact William Corfitzen (202) 482-0584/ [William.Corfitzen@mail.doc.gov](mailto:William.Corfitzen@mail.doc.gov)

**Food & Hotel Asia (FHA) 2004 - Food Services/Equipment Trade Fair** Singapore April 20 - 23, 2004. Contact Frances Lee (202) 482-1650/ [Frances.Lee@mail.doc.gov](mailto:Frances.Lee@mail.doc.gov)

**Expomin 2004 – Premier Latin American Mining Exhibition** Santiago, Chile April 20 - 24, 2004. Contact Matthew Wright (202) 482-2567/ [Matthew.Wright@mail.doc.gov](mailto:Matthew.Wright@mail.doc.gov)

**Surf Beach Show 2004 – Beach, Surf, Leisure Wear Trade Show** Sao Paulo, Brazil, June 1, 2004. Contact Denise Barbosa +55-11-3897-4053/ [Denise.Barbosa@mail.doc.gov](mailto:Denise.Barbosa@mail.doc.gov)

**Hospitalar 2004 – Medical Products and Services Trade Show** Sao Paulo, Brazil June 1 - 4, 2004. Contact Jefferson Oliveira +55-11-3897-4038/ [Jefferson.Oliveira@mail.doc.gov](mailto:Jefferson.Oliveira@mail.doc.gov)

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